

**REVISED
INITIAL STATEMENT OF REASONS**

Section 1859.73.2. New Construction Additional Grant for Replaced Facilities.

Specific Purpose of the Regulation

To update the name of a publication used in calculating School Facility Program (SFP) grants.

Need for the Regulation

Subsection (a)(3)(A): It was necessary to update the name of the publication that is used in calculating SFP grants because the publications or manuals were published by Saylor Publications, Inc., and in 2011 Saylor Publications, Inc. was purchased by Sierra West Group. As a result of the ownership change, the titles of the publications will change and will continue to be published by the Sierra West Group without reference to the “Saylor” trademark, as of January 1, 2015. In addition, the proposed regulations allow continued use of the same publication that has been used since the inception of the Program (in 1998), and ensures stakeholders are clear on which publication will continue to be used.

Section 1859.76. New Construction Additional Grant for Site Development Costs.

Specific Purpose of the Regulation

To update the name of a publication used in calculating SFP grants.

Need for the Regulation

2nd paragraph from end of the Regulation Section: It was necessary to update the name of the publication that is used in calculating SFP grants because the publications or manuals were published by Saylor Publications, Inc., and in 2011 Saylor Publications, Inc. was purchased by Sierra West Group. As a result of the ownership change, the titles of the publications will change and will continue to be published by the Sierra West Group without reference to the “Saylor” trademark, as of January 1, 2015. In addition, the proposed regulations allow continued use of the same publication that has been used since the inception of the Program (in 1998), and ensures stakeholders are clear on which publication will continue to be used.

Section 1859.78.7. Modernization Additional Grant for Site Development Necessary for 50 Years or Older Permanent Buildings.

Specific Purpose of the Regulation

To update the name of a publication used in calculating SFP grants.

Need for the Regulation

2nd paragraph from end of the Regulation Section: It was necessary to update the name of the publication that is used in calculating SFP grants because the publications or manuals were published by Saylor Publications, Inc., and in 2011 Saylor Publications, Inc. was purchased by Sierra West Group. As a result of the ownership change, the titles of the publications will change and will continue to be published by the Sierra West Group without reference to the “Saylor” trademark, as of January 1, 2015. In addition, the proposed regulations allow continued use of the

same publication that has been used since the inception of the Program (in 1998), and ensures stakeholders are clear on which publication will continue to be used.

Section 1859.82. Facility Hardship.

Specific Purpose of the Regulation

To update the name of a publication used in calculating SFP grants.

Need for the Regulation

Subsection (a)(1)(B): It was necessary to update the name of the publication that is used in calculating SFP grants because the publications or manuals were published by Saylor Publications, Inc., and in 2011 Saylor Publications, Inc. was purchased by Sierra West Group. As a result of the ownership change, the titles of the publications will change and will continue to be published by the Sierra West Group without reference to the “Saylor” trademark, as of January 1, 2015. In addition, the proposed regulations allow continued use of the same publication that has been used since the inception of the Program (in 1998), and ensures stakeholders are clear on which publication will continue to be used.

Anticipated Benefits and Economic Impact of the Proposed Regulations

The proposed regulations allow continued use of the same publication used since the inception of the Program (in 1998) to ensure integrity while maintaining consistency of the SFP. The proposed regulations also ensure stakeholders are clear on which publication will continue to be used. The proposed regulatory amendments are therefore determined to be consistent and compatible with existing State laws and regulations.

Proceeding with the implementation of these regulatory amendments will not have an impact on California businesses and jobs as the amendments are updating the name of a publication that is used in the SFP to calculate certain grants based on cost estimates, including site development (off-site, service site and utility work) for new construction, demolition costs for replaced facilities, utility costs for permanent buildings 50 years or older in a modernization project, and Facility Hardship.

The current publications or manuals, Saylor Current Construction Costs and Saylor Current Construction Costs Remodeling/Repair, are published by Saylor Publications, Inc., which was purchased in 2011 by Sierra West Group. As a result of the ownership change, the titles of the publications will change to Current Construction Costs and Repair Remodeling Construction Costs and will continue to be published by the Sierra West Group without reference to the “Saylor” trademark, as of January 1, 2015.

Therefore, the proposed regulations will not impact the creation of jobs, the creation of new businesses, and the expansion of businesses in California. It is not anticipated that the proposed regulations will result in the elimination of existing businesses or jobs within California.

Technical Documents Relied Upon

The State Allocation Board’s Action item, dated May 28, 2014, entitled “School Facility Program Regulatory Amendments: Construction Cost Publication.”

The Economic Impact Assessment prepared pursuant to Government Code Section 11346.3(c).

Alternatives to the Proposed Regulatory Action that would be as Effective and Less Burdensome to Private Persons

The SAB finds that no alternatives it has considered would be more effective in carrying out the purpose of the proposed regulations or would be as effective and less burdensome to affected private persons than the proposed regulations, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

Alternatives to the Proposed Regulatory Action that would Lessen any Adverse Economic Impact on Small Business

The SAB has determined that the proposed regulations do not affect small businesses.

Finding of Significant Adverse Economic Impact on Businesses

The SAB has determined that the adoption of the proposed regulations will not affect businesses, including small businesses, because they are not required to comply with or enforce the regulations, nor will they benefit from or be disadvantaged by the regulations.

Impact on Local Agencies or School Districts

The SAB has determined that the proposed regulations do not impose a mandate or a mandate requiring reimbursement by the State pursuant to Part 7 (commencing with Section 17500) of Division 4 of the Government Code. They will not require local agencies, school districts or charter schools to incur additional costs in order to comply with the proposed regulatory amendments.